

Washington, D.C. - Senator Chuck Grassley and Congressman Peter Welch will convene a roundtable discussion titled, *Maximizing the Use of Endowment Funds and Making Higher Education More Affordable*, on Monday, September 8, 2008, in the Senate Finance Committee Hearing Room, Senate Dirksen Office Building, Room 215.

UVM President Daniel Fogel to speak

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In recent years, college costs have skyrocketed. Tuition has risen at twice the rate of per capita income. At the same time, the value of the wealthiest college and university endowments, which institutions of higher education grow through tax deductible contributions and untaxed investment income, has risen dramatically.

The roundtable will explore the relationship between endowment value and college cost, the legal and accounting definitions of what an endowment is, and the impact of legislation requiring a mandatory payout from endowment funds. It will begin at 12:30 p.m. with remarks from Senator Grassley and Representative Welch and will consist of three panel discussions.

Panel 1 (1:00 - 2:00) - *Understanding College Costs*

This panel will examine the causes and implications of the rapidly rising college costs and tuition rates. Confirmed speakers are Blake Naughton (Analyst, Congressional Research Service), Daniel Fogel (President, University of Vermont), and Molly Corbett Broad (President, American Council on Education).

Panel 2 (2:00 - 3:00) - *What is an Endowment?*

This panel will examine the legal, fiduciary, and accounting aspects of defining an endowment fund for purposes of determining a mandatory payout. Confirmed speakers are John Walda (President and CEO, National Association of College and University Business Officers), John Mattie, CPA (Partner, PricewaterhouseCoopers), Jeff Mechanick, CPA (Project Manager, Financial Accounting Standards Board), and Iris Goodwin (Professor, University of Tennessee, College of Law).

Panel 3 (3:00 - 4:00) - *Are Mandatory Payouts Beneficial?*

This panel will explore the history and effectiveness of the mandatory payout requirement for private foundations and the impact of such a requirement on the growth of college and university endowments as well as college tuition. Confirmed speakers are Shirley Tilghman (Vice-Chair, Association of American Universities and President, Princeton University), Anthony Marx (President, Amherst College), Lynne Munson (Adjunct Fellow, Center for College Affordability and Productivity), Michael Klausner, Esq. (Professor, Stanford Law School).

Other invited guests include representatives from education advocacy organizations, higher education associations, lawyers, accountants and government officials. Members of the general public will be able to attend on a space-available basis and may submit comments or papers to endowments@finance-rep.senate.gov.

Press inquiries should be directed to Jill Gerber (Grassley) at 202/224-6522 or Andrew Savage (Welch) at 202/225-4115. Please direct all other inquiries to Peter Ambler of Welch's office or Theresa Pattara of the Senate Finance Committee Republican staff.

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